

Board Meeting Minutes
June 18, 2019

Present in person were:

Sarah Godlewski, Board Chair	State Treasurer
Jonathan Barry, Executive Secretary	Board of Commissioners of Public Lands
Vicki Halverson, Office Manager	Board of Commissioners of Public Lands
Richard Sneider, Chief Investment Officer	Board of Commissioners of Public Lands

Present via teleconference were:

Josh Kaul, Commissioner	Attorney General
Doug La Follette, Commissioner	Secretary of State

ITEM 1. CALL TO ORDER

Board Chair Godlewski called the meeting to order at 2:04 p.m.

ITEM 2. APPROVE MINUTES - JUNE 4, 2019

MOTION: Commissioner Kaul moved to approve the minutes; Commissioner La Follette seconded the motion.

DISCUSSION: None.

VOTE: The motion passed 3-0.

ITEM 3. APPROVE LOANS

<u>Municipality</u>	<u>Municipal Type</u>	<u>Loan Type</u>	<u>Loan Amount</u>
1. Delavan Walworth County Application #: 02019137 Purpose: Interim financing for fire station construction	Town Rate: 4.00% Term: 2 years	General Obligation	\$5,000,000.00
2. Honey Lake Pro & Rehab Dist. Walworth County Application #: 02019136 Purpose: Finance dam repair and maintenance	Lake District Rate: 3.75% Term: 5 years	General Obligation	\$100,000.00
3. Mishicot Manitowoc County Application #: 02019138 Purpose: Finance roadwork	Village Rate: 3.75% Term: 10 years	General Obligation	\$1,400,000.00
	TOTAL		\$6,500,000.00

MOTION: Commissioner La Follette moved to approve the minutes; Board Chair Godlewski seconded the motion.

DISCUSSION: Staff reported that the loans had been reviewed by the Attorney General’s Office.

VOTE: The motion passed 3-0.

ITEM 4. CHIEF INVESTMENT OFFICER'S REPORT

Staff reported that with the decline in interest rates over the past six months allowed the bond portfolio to be realigned. As a result, many lower-yielding bonds were sold, which increased the yield on the remaining bond portfolio from 3.75% to 3.90%.

The BCPL Investment Committee continues to research investment opportunities in real estate and additional venture capital prospects. A report will be presented to the Board at a future board meeting.

Staff will be recommending modifications to the asset allocation and distribution language, and minor changes to other language in the Board's Investment Policy. The Policy will be presented to the Board for their review and approval at a future board meeting.

ITEM 5. EXECUTIVE SECRETARY'S REPORT

At the June 4 board meeting, the Board had approved the purchase of 80 acres of land in Forest County from landowner Connor/WTA Property. Executive Secretary Barry reported that the seller has verbally agreed to the Board-approved purchase price of \$160,000 and has also agreed to a limiting easement. The easement would allow the seller access to an adjacent parcel he owns. The easement cannot be transferred, nor does it allow for the subdivision of the adjacent property. The easement allows for timber harvesting and management only in addition to deer hunting.

Executive Secretary Barry reported on four actions taken by the Joint Finance Committee that will impact the BCPL and the School Trust Funds.

- Converts BCPL's funding source from program revenue to general purpose revenue;
- Approves BCPL's appropriation equal to the amount that was in the Governor's budget request;
- Prohibits BCPL from paying for certain expenses from the gross revenues of the Trust Funds; and
- Increases the Department of Public Instruction's appropriation for library aid by \$1.5 million per year.

Staff will work with the Legislative Fiscal Bureau to clarify how the change from program revenue to general purpose revenue will affect agency operations, real estate activities, and land management.

ITEM 6. BOARD CHAIR'S REPORT

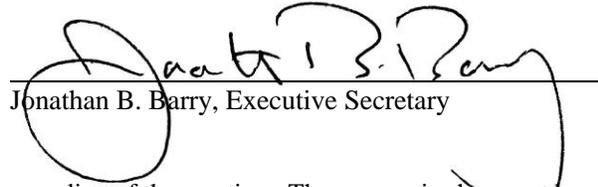
Board Chair Godlewski reported that she and staff continue to refine the due diligence processes for investments. In addition, a discussion of the Board's fiduciary responsibilities with attorneys at the Department of Justice is ongoing. Finally, a strategic plan is being developed and will be presented to the Board at a future meeting.

ITEM 7. FUTURE AGENDA ITEMS

Future agenda items will include those discussed in items 4, 5 and 6.

ITEM 8. ADJOURN

Commissioner La Follette moved to adjourn the meeting; Board Chair Godlewski seconded the motion. The motion passed 3-0; the meeting adjourned at 2:20 p.m.



Jonathan B. Barry, Executive Secretary

These minutes have been prepared from a recording of the meeting. The summaries have not been transcribed verbatim. Link to audio recording: https://bcpl.wisconsin.gov/Shared%20Documents/Board%20Meeting%20Docs/2019/2019-06-18_BoardMtgRecording.mp3